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**BAUCUS BUDGET AMENDMENT FUNDS CHILDREN'S HEALTH,
TAX RELIEF FOR AMERICA'S WORKING FAMILIES**

Surplus in 2012 provides chance for fiscally responsible funding of vital priorities

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today called for surplus funds in the Senate budget proposal to be used for children's health insurance and tax relief for America's working families. Baucus and fellow Senators introduced an amendment to the budget that would put \$15 billion toward renewal and expansion of the expiring Children's Health Insurance program over the last three years of the budget, including \$5 billion in surplus funds in 2012. Surplus funds would also allow the extension of important tax cuts for working families, including the child tax credit and relief from the joint-filing penalty paid by America's married couples. The amendment is cosponsored by Senators Evan Bayh (D-Ind.), Mary Landrieu (D-La.), Bill Nelson (D-Fla.), and Mark Pryor (D-Ark.).

"America's families need the extra funds in this budget," said Baucus. "Millions of kids could get the health coverage and care they deserve. Millions more kids could live in families where finances aren't quite as tight, because this Congress chose to recognize the cost that comes with the privilege of raising kids. The Senate should show that our priorities are in the right place. We should use this money to make children healthier and families stronger."

Baucus's Finance Committee has jurisdiction over the CHIP program and over U.S. tax policy. In addition to providing the \$15 billion in funds for the Children's Health Insurance Program over the last three years of the budget window, the amendment also effects a \$15 billion decrease in the "reserve fund" that requires additional money to be raised to cover CHIP costs. The amendment also uses surplus funds to provide:

- permanent marriage penalty tax relief
- permanent extension of the refundable child tax credit
- permanent extension of the adoption tax credit
- permanent extension of the higher child care tax credit
- permanent allowance of earned income tax credit for American soldiers' combat pay
- permanent extension of the 10 percent income tax bracket
- permanent extension of current estate tax rate and exemption level

Remaining surplus funds are designated for tax relief as well. Legislative text and additional information will be posted at <http://finance.senate.gov/sitepages/legislation.htm> as it becomes available.

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